

# COUNTY OF YORK

## MEMORANDUM

**DATE:** April 9, 2004 (BOS Mtg. 4/20/04)

**TO:** York County Board of Supervisors

**FROM:** James O. McReynolds, County Administrator

**SUBJECT:** Proposed Lease of the Cofferdam Pier to Yorktown Cruises Inc., Erin Kay Charters, Inc., and W M & C M, Inc.

As you are aware, staff has been working with Yorktown Cruises, Inc., Erin Kay Charters, Inc., and W M & C M, Inc., (the Companies) to provide them with a temporary docking facility for the 2004 season. The Companies previously operated from the Watermen's Museum dock and paid them approximately \$8,000 a year for the use of the facility. A public hearing regarding a proposed lease for the Companies usage of the Cofferdam Pier by the Companies is scheduled for the Board's April 20 meeting.

The proposed lease agreement and resolution for adopting this agreement are attached. The components of the lease agreement are as follows:

1. Annual rent (May 1, 2004 - April 30, 2005) \$5,000 minimum. Rent payable on a monthly basis, based on monthly ticket sales \$.50/ticket. If the \$.50 ticket surcharge does not total \$5,000 by the end of the term the company must pay the County the balance due.
2. The County has agreed to purchase a floating dock 13 ft. by 66 ft. for \$25,000 that will be utilized by the Companies for the rental period. At the conclusion of the rental period, the County will move the dock to the Old Wormley Creek boat launching area for public use.
3. The Companies have agreed to purchase a ramp, and the IDA will reimburse them up to \$10,000. The ramp will be utilized to access the floating dock for the rental period. At the conclusion of the rental period, the ramp will be moved to Old Wormley Creek for use with the floating dock.
4. The Companies will install the floating dock and ramp at the Cofferdam Pier and secure all necessary permits and inspections. The cost to install the dock and ramp is approximately \$10,000.
5. The National Park Service has agreed to allow the Companies to utilize the picnic area for parking, and they will be able to erect a tent for catered (pizza/hot dogs) cruises. The Companies will be responsible for securing the parking area each evening and making any necessary improvements (signage, lighting) and performing maintenance tasks (trash removal).

The Companies will also assist any cruise lines this season that requires ferry service to and from the dock. The agreement stipulates that they will also pay us \$.50 a person if they provide this service for a cruise line. I would like to emphasize that this is an agreement only for this season to allow the Companies to operate until alternative facilities can be secured, and the agreement will allow them to use the dock for all of their services including dinner cruises, fishing trips, and the scenic cruises in conjunction with the Yorktown ghost walk. The lease includes all normal County requirements for insurance coverage, permits, and maintaining the integrity of the Cofferdam Pier. Finally, the lease also includes a provision that will allow us to rent the dock to other commercial vendors during this season. If we were approached by an appropriate user, they would have to coordinate their activities with the Companies.

Based on the unique situation created by Isabel, and our desire to continue providing this type of tourist commercial activity, I recommend your approval of this lease agreement. Additionally, the proposed rent structure is consistent with industry standards when you include the \$10,000 that the company must invest in the dock facility. The County will be able to reuse the floating dock and ramp to improve our public docking facilities in 2005. If you concur with approving the attached lease agreement, proposed Resolution R04-76 will accomplish that.

Noel/3318

Attachments